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SUBJECT: GCC CONSULTATIVE SUMMIT: KUWAIT PROPOSES
GCC STRATEGY ON IRAN, IRAQ, AND THE ECONOMY

¶1. (U) Summary: Arabic Daily Al-Qabas printed in its May 8 edition the text of a paper reportedly presented by the GOK to GCC member states during the May 6 Consultative Summit in Riyadh. The paper outlines a two-part strategy to address issues facing the Gulf states, including Iran, Iraq, the Israeli-Palestinian situation, terrorism, and the educational and economic development of GCC states. On Iran, the paper proposes a common GCC approach, notes the environmental impact of a nuclear incident, and calls for the creation of a plan for oil exports in case the Straits of Hormuz are closed. With regard to Iraq, the paper focuses on preventing a civil war and the spillover of violence. The paper, while supporting the Road Map, further calls for dealing with the Hamas-led Palestinian Authority and recommends the U.S. and Russia pressure Israel to recognize the "new reality" in Palestinian-controlled areas. End summary.

¶2. (U) Post's informal translation is provided. Begin text of Kuwait paper:

Part I: Security

¶1. Iranian Nuclear File

-- Exerting efforts to defuse the crisis through urging dialogue among the parties and cooperation, as well as strengthening trust-building measures.

-- Formulating a joint political stance on the crisis.
-- Working towards identifying the consequences of the worst-case scenarios and the ways to protect GCC countries from such dangers.
-- Devising a defense plan to confront the possibility of an environmental disaster in the Gulf, which is the heart of the GCC economy and the prime source for drinking water.
-- Putting forth alternatives for exporting Gulf oil to world markets and for importing goods to the Gulf in case of a closure of the Straits of Hormuz.
-- Putting into effect GCC declaration 26 of 2005, calling for a Middle East nuclear-free zone by UN order.

¶2. The Worsening Situation in Iraq

-- Preparing a united plan to prevent Iraq from sliding into civil war whose effects could spill over into the GCC countries.
-- Creating a unified Gulf position on joint cooperation with regard to Iraq, and on coordinating with the U.S. and the UK on stabilizing Iraq.
-- Immunizing the GCC countries from any sectarian ripple-effects.
-- Developing a united plan with all relevant parties to end negative foreign meddling in Iraq.
-- Coordinating on and establishing an emergency plan to protect GCC countries' borders with Iraq from an influx of refugees or an export of acts of terror.

¶3. Potential Collapse of the Peace Process

-- Dealing with the Palestinian legislature directly, given that it represents the choice of the Palestinian people.
-- Calling on the parties supervising the peace process to recognize

the reality of Hamas' victory and forming of a government.

-- Asking the U.S. and Russia, in their roles as custodians of the Peace Process, to pressure Israel to recognize the new reality within Palestinian territories and to express its good-faith intentions.

-- Urging Hamas to express its good-faith intentions and to settle on a peaceful political platform.

-- Calling on all parties to comply with relevant international decisions, with the Road Map, and with the Arab Peace Initiative.

¶4. Terrorism

-- Settling on a comprehensive preventative framework.

-- Working on a smart card for GCC citizens.

-- Strengthening security and intelligence cooperation between GCC countries.

-- Developing an information policy designed to combat insidious media.

-- Strengthening the monitoring of the sources of terrorist funding.

-- Issuing laws that will punish and deter terrorism.

-- Strengthening international and regional cooperation.

-- Instilling the concept of moderation.

-- Continuing the reform of educational curricula.

-- Strengthening the spirit of citizenship and national loyalty.

¶5. Political Speech

-- Complying with joint Gulf agreements emanating from official and consultative meetings, founding an appropriate mechanism that will unify GCC members' positions on these issues, and adopting a united and effective position on issues that directly affect GCC countries Q such as the situation in Iraq and the Iranian nuclear file.

Part II: Economic Issues and Development

¶1. Oil Surplus

-- Agreement on a joint economic development program to use part of the oil surplus to strengthen the economic foundations of GCC countries

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and create jobs for their citizens.

-- Investment in joint projects in education and health, through existing educational and investment institutions, to improve living standards.

-- Conclusion of bilateral economical agreements between GCC states, other countries, and international groups.

-- Prioritization of bilateral agreements that have a positive impact on GCC countries.

-- Review of agreements having a significant impact, and the identification of any obstacles and the measures necessary for their implementation.

-- Identification at the national economic level of any existing shortcomings and the proposal of effective solutions so that the agreements can be implemented.

¶2. Economic Cooperation

-- Rapid removal of obstacles that block full economic cooperation, within the customs union and the GCC Common Market, and achievement of a common currency.

-- Coordination in programs to combat unemployment.

¶3. Education

-- Strengthening education and working towards common goals.

-- Rapidly moving towards developing shared education curricula.

¶4. Private Sector

-- Strengthening the environment for the establishment of private sector jobs by adopting of the necessary legislative measures.

-- Making use of the private sector by supporting development and social programs.

-- Speeding up the pace of privatization.

-- Establishing appropriate mechanisms to support competition.

-- Establishing the necessary legislative measures to protect consumer rights.

-- Protecting and strengthening workers rights.

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